



We're Converting To Therm Billing

Effective January 31, 2012, Columbia Gas of Pennsylvania (Columbia) is improving the way you are billed.

Customers will now be billed for the quantity of energy consumed instead of the volume of natural gas consumed. This change will align the way our customers are billed for natural gas with the value of the product, or energy, and will make our bills consistent with the way natural gas is bought and sold in the wholesale market place.

We're Improving The Way You Are Billed

Conversion FAQ

What is a Therm?

A therm is a measurement of energy, or heat, equal to 100,000 British thermal units, or Btu. It represents the amount of gas contained in a space equal to one hundred cubic feet.

What are the benefits?

Therm billing maintains fair and equitable bills for all customers because bills will be based on the energy consumed.

The Energyguide and Energy Star labels appearing on household gas appliances are also based in therms so this change will make it easier for customers to compare appliances.

Is this a rate increase?

This is only a billing conversion process, not a rate increase. You were previously billed based on the volume of natural gas consumed per month, or hundred cubic feet (Ccf), and will now be billed based on the energy consumed per month, or therms. A Ccf is a volumetric measure of natural gas.

How will you convert my bill?

To convert your usage to therms, Columbia will multiply the Btu value of the gas in your area by the volume of gas (Ccf) consumed that month. Example: $1.05 \text{ Btu} \times 100 \text{ Ccf/month} = 105 \text{ thm}$. As another example, if the Btu value in your area was 0.95, your bill would reflect $0.95 \text{ Btu} \times 100 \text{ Ccf/month} = 95 \text{ thm}$.

What is my Btu value?

Because Columbia takes delivery of natural gas from several different sources including interstate pipelines and local pipelines, the heating value of gas (Btu) varies across our system. This means that some customers receive more energy than others even though they may consume the same volume of gas.

Each customer will be assigned a pipeline scheduling point, or PSP, based on where they live. Columbia divided its service territory into eight different zones based on the physical configuration of the piping networks and the gas delivery points into that piping network. The Btu content of the gas within a zone will be consistent because the gas in that zone comes from the same points of delivery.

Why does the Btu value matter?

Because the chemical composition of each supply differs according to the source of the supply (PSP), the energy content, or heating value, also differs. A change in energy content can result in a customer consuming higher or lower volumes of gas to deliver a given amount of energy.

For example, to boil 4 quarts of water, customers in areas that receive natural gas with lower energy content use a greater volume of gas than customers receiving natural gas with higher energy content to boil the same exact amount of water. However, both customers use the same quantity of energy.

To most accurately bill customers for the quantity of energy consumed, the Btu conversion factor will be updated every month with the most recent Btu values of our gas supply by PSP.

Will this affect my bill?

Depending on the Btu value of the natural gas you consume, your bill may slightly increase or decrease. This is the result of customers being charged for the energy used and not the volume of gas. When Columbia billed based on the volume of gas a customer received, two customers could use the same energy but be billed differently. For example, with volumetric billing, the customer who received natural gas with lower energy content was billed more than the other customer who received gas with higher energy content to use the same amount of energy.

For customers who have consistently been receiving gas with lower energy content, the average customer's bill may decrease by 1% - 2%. For customers who have consistently been receiving gas with higher energy content, the average customer's bill may increase by 4% - 5%.

Please keep in mind that there are other factors that influence increases or decreases in your bills, such as weather, quarterly gas costs, thermostat settings, insulation measures in your home or business or the condition of appliances and building. It's also important to keep in mind that the Btu value in your area will be updated every month. So if you receive gas with higher energy content, your bill may slightly increase one month, but not the next.

Thank you for being a Columbia Gas customer. Learn more about the conversion to Therm billing by calling 1-866-724-0039 or visit us online at ColumbiaGasPa.com.